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Evaluation

Evaluation of UNDP contribution to strengthening national capacities

Executive Summary

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I. Introduction

1. Capacity development has consistently been identified as a central goal of development cooperation in the United Nations system. General Assembly resolutions responding to the 2004 and 2007 Triennial Comprehensive Policy Reviews reaffirmed the centrality of national capacities in addressing poverty and pursuing sustained and equitable economic growth and sustainable development. They also highlighted capacity development as a central goal of the United Nations system. UNDP has directed massive efforts at supporting capacity development over an extended period of time. More recently, its 2008 strategic plan identified capacity development as the overarching contribution of UNDP. While previous evaluations provide evidence of UNDP's work on capacity development, no comprehensive assessment has been made of its efforts in this area. This is what led the Executive Board, in May 2009, to approve an evaluation of UNDP's contribution to strengthening national capacities.

2. The General Assembly resolutions responding to the 2004 and 2007 Triennial Comprehensive Policy Reviews, the 2006 United Nations Development Group policy statement and UNDP's own internal policy guidance all view capacity development as a tool to develop the ability of national partners to do things for themselves or do things better, without the United Nations having to play the same role again. This is the definition used in this evaluation. This evaluation therefore makes a distinction between (i) capacity development, which is concerned with the sustained ability of national institutions to do things for themselves and (ii) the broader concept of national capacity support, which encompasses all assistance delivered to get things done to meet internal and external demands; it does not necessarily focus on developing the sustained abilities.

3. The evaluation also adopts the perspective of the strategic plan that capacity development is a means, which underscores the need to examine capacity development as it plays out in one area of UNDP's work. The evaluation therefore selected UNDP's performance in supporting the national development strategy process as the lens for examining its overall approach to capacity development. This work, supporting countries to formulate policies and develop national strategies, plans and management systems, was presumed to represent a large part of UNDP's portfolio. This area is also important to governments, which continue to ask for UNDP support. The evaluation is thus important for developing an understanding of UNDP's work in the area and how UNDP can best support governments and national efforts in a sustainable manner.

4. A review of literature showed no common definition or understanding of what is meant by a national development strategy. The evaluation therefore used the definition and understanding of the national development strategy adopted by each country in the case studies. To identify the national development strategy, the evaluation started by identifying the government's process to define long-term national goals and translate them into a medium-term planning framework that guided resource allocations.

5. The evaluation is both retrospective and prospective. It takes stock of the past while looking into the future with respect to how UNDP contributes to national capacities and the effectiveness and future sustainability of its capacity development support. The evaluation assesses the relevance of UNDP's work on capacity

development with respect to national priorities and the UNDP mandate; the effectiveness of UNDP's contribution to capacity development; and the efficiency of UNDP's institutional and programming arrangements relative to its role as a partner for capacity development. National experiences and UNDP support between 2000 and 2009 were examined.

6. Over the past 26 years, UNDP has invested significantly in learning how to approach capacity development and, more recently, in integrating what it has learned into its policy guidance, systems and procedures. This level of sustained investment and attention is unique among the United Nations agencies. The importance of capacity development is increasingly signalled in the statements of senior management and is identified as UNDP's overarching contribution in the current strategic plan.

7. In 2002, UNDP created an advisory team in the Bureau for Development Policy supported by regionally based capacity development advisors. This cadre has played a significant role in developing internal capacity and promoting a shift to approaches that experience has shown will be more effective. Demand by country offices for support from these advisors has increased and exceeds their capacity. Alternative approaches to meet this demand are now being developed at country and regional levels. Training courses have been developed to support staff in using the guidance. The need to identify national capacity constraints and respond accordingly is included in programming and project guidance. Analytical tools to help identify the key constraints and design appropriate responses have also been developed.

8. UNPD issued policy guidance on internal capacity development in 1994, 1998 and 2008. This guidance clearly indicates the need for a transformation in how UNDP manages its relationships with national partners; effective capacity development is not achieved just through better technical analysis and application of tools. While central to the 1998 policy guidance, this insight was explicitly codified in the 2008 UNDP Practice Note on Capacity Development, which sets out 11 principles that should inform the relationship between UNDP and national partners. These principles highlight:

- The importance of national leadership and the use of national systems;
- The reality that capacity development is a long-term and unpredictable process requiring persistence, and that it evolves through a mixture of long-term and short-term results;
- The need for a comprehensive understanding of the situation and for interventions designed to address both positive and negative motivations for change;
- The importance of moving beyond approaches that concentrate on enhancing individual skills, and therefore a focus on training.

Analytical tools and frameworks for analysing and understanding these principles are found in the guidance issued in 1998 and 2008. How far UNDP has progressed in implementing these principles is central to this evaluation.

9. The evaluation used a multi-method approach. National consultants and a core team carried out four case studies of UNDP support to national development strategy processes, in Botswana, Paraguay, Saudi Arabia and Togo. These case studies used a national perspective to assess UNDP's performance. They started

with self-reflection exercises by national stakeholders that described the changes in the "endogenous" processes for formulating and managing national development strategies in the four countries. They also identified the degree to which successes or problems were primarily due to national capacities.

10. UNDP and other external partners figured in this work only when national stakeholders chose to highlight their role. Performance was not judged against predefined measures of success. This approach was taken because policies and plans in these countries, and indeed elsewhere, define results at outcome or impact level, effectively leaving a "missing middle" of intended national capacity results. Instead, performance was judged against the degree to which UNDP contributed to the endogenous process described by the national stakeholders, and hence from the national perspective.

11. The evaluation also relied equally on meta-analyses of evidence from (i) the 45 Assessments of Development Results completed by the UNDP Evaluation Office between 2003 and 2010 and (ii) the 15 assessments that specifically evaluated UNDP support to national development strategies. Complementing the case studies and the meta-analyses were (i) interviews with a range of UNDP staff at headquarters and in regional and country offices; (ii) a review of the wider literature carried out to capture more broadly experience in supporting development of national development strategies and in capacity development; and (iii) a portfolio analysis of how capacity development was reflected in the design of a random sample of UNDP projects active between 2004 and 2009. This multi-method provided a substantial basis to validate the evidence and substantiate the findings.

II. Findings

12. **UNDP has contributed substantially to country efforts to develop and manage national development strategies. Support has been project specific and has been relevant and effective. UNDP has not, however, engaged governments in addressing the longer term requirements of capacity development.** Analysis of the endogenous process shows that UNDP has been responsive by supporting governments to address immediate demands and day-to-day requirements, including responding to external partners. Thus UNDP has provided extensive project-based support, and national partners have found this support to be relevant and well done. Very few specific activities or support initiatives failed to deliver against expectations. Project support contributed to the delivery of national plans and/or affected their quality, although not always directly or immediately. UNDP advocacy through products such as national human development reports and Millennium Development Goal reports also helped to broaden the range of issues discussed nationally.

13. However, strengthening the ability of national partners to do things for themselves or do things better without the United Nations having to play the same role again is not a priority of UNDP support. This is observed at two levels. The evidence from the endogenous process highlights the fact that governments see capacity development as important for achieving national goals. They acknowledge the importance of capacities for enhancing the quality of national development strategies and are aware of the capacity constraints in formulating and managing these strategies. The pressures of everyday management tend to distract people from

the longer term imperatives of capacity development. UNDP has not identified how to use its strong relationship with governments to engage with them on the longer term implications of not addressing capacity development and then reflecting this in the types of support developed.

14. The evaluation finds that country circumstances play a major role in determining opportunities for UNDP to engage governments in capacity development. These circumstances include the commitment and degree of cooperation within the government; UNDP's relationship with the units that drive government-wide reforms; and the degree to which UNDP's established national partners see capacity development as part of their responsibilities. Also important is the degree to which governments are willing to engage with UNDP on sensitive issues and whether they think that UNDP has something to offer.

15. These facts are borne out in UNDP's contrasting experiences in Botswana, Paraguay, Saudi Arabia and Togo. In Paraguay and Togo, UNDP and the governments have recently designed projects aimed at addressing fundamental drivers hampering government capacity. In Botswana and Saudi Arabia, UNDP was seen by governments as a service provider, and therefore not relevant to internal government consideration of such issues. After five years of discussion, UNDP has shifted this perception in Botswana and started to develop support within the government; this has not happened in Saudi Arabia.

16. The design of its projects shows limited evidence of UNDP efforts to apply the principles of effective capacity. In general, there were no well-defined or appropriate exit strategies. UNDP projects and programmes remain narrowly focused in terms of the types of capacity they seek to develop. Most support comprises either long-term technical assistance or, more commonly, a mix of short-term consultants, training and support for consultation exercises. Functions carried out through long-term technical assistance are rarely taken over by nationals at the end of assignments. Rapid turnover of national staff was a common reason given for the lack of impact from training, although the team did not find evidence of evaluations of training effectiveness. Projects were also rarely designed to identify and enhance access to national knowledge or expertise outside the government. For short-term consultants, assignments were usually focused on delivery of a product. Structuring work to increase its longer term impact on capacity development was not a priority.

17. These problems were all identified by UNDP in the 1990s and were the major driver for the development of new guidance in 1998. Their continued prominence in the portfolio is the major indicator that the lessons identified in both the 1998 and 2008 internal guidance have not yet been consistently implemented across the organization. It should be acknowledged, however, that UNDP's internal investment in strengthening its own capacity has mostly been made in the past four years.

18. There are examples of innovative and effective UNDP capacity development support. In Benin, Bhutan and Montenegro assistance was clearly demand driven. In Afghanistan and Yemen there is clear evidence of capacity development at the individual, organizational and enabling environment levels. Innovative modalities of South-South technical assistance in the form of coaching were reported favourably in a major civil service reform and development programme in Afghanistan. But these examples are exceptions, not the norm.

19. **UNDP has not sufficiently analysed examples of good capacity development practice at regional and country levels or their implications for replication.** At country level, partners have not invested in supporting effective learning from experience. This can take place through joint reflection between stakeholders about outcomes, about what works and why, and about how positive change is taking place.

20. Interviews suggest two factors that are significant for successful identification and integration of capacity development into UNDP's support: First, country offices that can develop the opportunity to have detailed and frank discussions with government and can then access suitable expertise, whether in UNDP or through consultants, have the most success in integrating capacity development into project and programme design. Second, successes result from championing of the agenda by senior UNDP management at country level. But UNDP at corporate level has not invested in verifying these observations. This is most striking in instances where the organization has identified examples of good practice but has not seriously analysed why these exceptions to the norm have taken place and whether they offer lessons that could be replicated elsewhere, either by UNDP or by governments.

21. **There is good internal guidance reflecting what effective capacity development is and there is international recognition of UNDP's work. However, there are limitations in the utility of the guidance for effective support to governments.** UNDP's work in capacity development is well regarded by international development partners. The guidance produced reflects globally learned lessons and the international consensus on good practice for enhancing sustainability. The guidance has become progressively more comprehensive. However, the utility of the guidance is affected by two main factors. First, it is more complex than needed, making it difficult for staff to apply. Examples of good use of the guidance were identified, but interviews with staff in regional and country offices indicated that many found the language overly technical and difficult to understand. (The Regional Bureau for Europe and the CIS has responded by preparing supplementary material using simpler language.) The time taken to translate guidance into languages has also hampered its utility.

22. Second, UNDP's capacity development guidance is not presented in a way that makes it easy to use in working with governments. It is supply driven rather than demand driven, and thus in discord with government processes. The guidance treats capacity development as a unified and comprehensive issue. But this is not how it is addressed by governments; a range of government organizations address different aspects of the capacity development agenda, either as part of their core function or as part of a reform process. This lack of congruence limits its utility.

23. **Capacity development is a means to address poverty and pursue sustained and equitable economic growth and sustainable development; it is not the expected end result. This reality conflicts with the structure of UNDP's internal advisory support and guidance. Its results reporting also create barriers.** Capacity development is explained as the "how" of UNDP's approach. It is thus treated as a means in UNDP's strategy documents including the present strategic plan. This type of conceptualization is not reflected in the structures established. If capacity development is viewed as a means, the expectation follows that advisory work would be integrated into practice areas, and expertise on capacity development would be developed within practice areas. Instead, capacity development advisory

teams have been established at regional and headquarters levels. In so doing, UNDP has organized its corporate response in the same way as for its thematic work in the various practice areas. Progress has been made in integrating capacity development into the work of the broader cadre of advisory staff in these practice areas, but this has been at the discretion of the individual managers. It has not been a systematic response to a corporate agenda.

24. The programme and project monitoring systems of national partners and UNDP focus on tracking results, as do performance reviews of country offices and staff. This acts as an impediment, as capacity development is not a result but a process. Its lack of visibility in monitoring and reporting systems therefore reduces the scope to identify instances of good practice or to reward those using good practice. In terms of what should be monitored and reported, the lack of a consistent understanding of capacity development across the organization is a significant barrier. Currently, many within the organization believe that all UNDP contributions to countries also develop national capacity, which is contrary to what is implied within the organization's own guidance.

III. Conclusions

Conclusion 1: UNDP has not made the shift to the nationally led change process for capacity development identified in the strategic plan.

25. UNDP is faced with the challenge of responding to government demand and government ownership of the development agenda and process while also addressing corporate demands and the global normative agenda, including on capacity development for sustainable development. It has accomplished the first; it is highly responsive in supporting government partners to meet immediate priorities and day-to-day requirements. But it has not fully accomplished the second or sought ways of balancing how it responds to both demands. At this stage, UNDP's efforts are focused on the mechanical process of developing tools and instruments in a supply-driven mode and integrating them into UNDP internal systems and procedures. The main focus is not on transforming how UNDP manages its relationships with national partners, which is what would be expected if the lessons reflected in UNDP's own guidance were being applied.

26. UNDP's effectiveness in contributing to capacity development depends on the degree to which its partners demand support in this area and are aware of the lessons learned on how best to address national capacity constraints. These conditions are not met. Partners perceive UNDP's comparative advantages in terms of its impartiality, the long-term relationship, its access to international expertise in substantive areas, its willingness to provide support and the possibility of using UNDP to circumvent administrative constraints in national governments. UNDP has made only modest efforts (through corporate advisory cadres) to ensure that national partners are aware of the principles that should underlie UNDP's management of its relationship with governments, how these principles might affect their relationship with UNDP or whether they agree with this change in approach.

Conclusion 2: UNDP misses opportunities to understand the complexities of the endogenous process and to help governments advance the national capacity development agenda to a broader and more comprehensive level.

27. Understanding the complexities of the capacity development process as well as the diverse and fast-changing conditions in countries is vital if UNDP is to better position itself and strategically address its mandate for capacity development. International experience shows the limitations of the "planned" approaches to capacity development, which have been the norm in international development cooperation, and of UNDP reliance on a set of tools that do not necessarily capture the national perspective and systemic constraints. UNDP is missing opportunities at programme and project levels to identify and highlight government opportunities to meet both immediate demands and medium- or longer term capacity development needs.

Conclusion 3: UNDP does not have learning mechanisms in place to capture emerging innovations and lessons on the ground and to develop, disseminate and scale them up.

28. UNDP does not systematically learn from successes and then seek to systematically replicate them. It can showcase a number of instances of support reflecting good practice and "what works best" in regional bureaux and country offices. Given its universal presence on the ground and its collaboration with national partners, UNDP is in an excellent position to work with these partners, including universities, to develop analytical systems and to compile knowledge of what works, why and how. UNDP's promotion of South-South cooperation also provides good opportunities for learning from each other.

Conclusion 4: Given its conceptual work and guidance on capacity development and the international recognition of this work, UNDP is well placed to take a lead role to enhance capacity development at country and global levels.

29. UNDP's role in capacity development now must move to a more demand-driven model and to an emphasis on work with national partners, using the principles of its own guidance. Doing this in partnership with other United Nations agencies and development partners presents several advantages worth exploring.

IV. Recommendations

Recommendation 1: UNDP should prioritize implementation of the principles embedded in the strategic plan across all countries.

30. UNDP should build on its analytical work and successful programmatic experience to shift to an approach fully led by national governments that responds to immediate government needs while maximizing the contribution to capacity development. At the operational level, implementation of the principles for managing the relationship between UNDP and national partners is the most important priority, rather than further refinement of tools and guidance. This requires ensuring that governments and other national partners are aware of and buy into the proposed changes in the nature of the relationship with UNDP. It also requires ensuring that partners are aware of what expertise on capacity development they may access through UNDP. Internally, this approach requires UNDP to

highlight the importance of implementing the principles and identifying how to better support their implementation at country level.

Recommendation 2: Capacity development guidelines should be written to maximize coherence with government processes.

31. Guidelines will only be effective if staff understand why they are important for the work they do and for the requests of government and other partners. Guidance must therefore be drafted to respond to its reality and its value in government processes, where capacity development is rarely addressed as a discrete issue. UNDP should also ensure that future guidance helps staff distinguish clearly between capacity development and support that contributes to ongoing national activities. This would directly address the belief of many in the organization that they already address capacity development and therefore they don't need to consider changes in how they work.

Recommendation 3: UNDP should systematically assess good practices and develop knowledge of why these have taken place.

32. Governments face increasingly complex national capacity challenges, while the limitations of traditional "planned" approaches to capacity development are becoming more evident. These trends call for continuous learning. They present clear opportunities for both governments and UNDP to identify why capacity development has succeeded and the implications for replication. This should become UNDP's priority for work in support of capacity development. It will require dedicated resources. It will also require development of new approaches for learning lessons beyond those provided by traditional monitoring and evaluation systems, which focus on end results. Finally, it calls for enhancing knowledge management across units, regions and country offices to ensure dissemination of good practices and lessons.

Recommendation 4: UNDP should develop the capacities and competencies of its staff and managers in country offices to identify opportunities to integrate capacity development into their programme and projects.

33. Capacity development cannot be reduced to a blueprint or checklist of necessary actions. It requires acknowledging that UNDP works in environments in which outcomes and objectives are often ill-defined, consequences unpredictable, options limited and failure a cost of doing business. It therefore calls for placing a premium on informed judgment, which is difficult to track under an organization's management information systems. Required competencies also include flexibility, business orientation in exploiting situations and the drive and perseverance to get things done with governments. It also means not being prescriptive about process in order to avoid the danger of reinforcing rigid and formulaic approaches.

34. UNDP therefore needs to ensure that its internal reporting and management systems recognize this changed orientation. Country offices and regional bureaux have started developing diverse approaches to accessing the expertise needed to bring in experience from elsewhere and to develop specific plans of action with national partners based on lessons learned. This experience should be assessed to identify approaches that should be implemented more widely across the organization.

Recommendation 5: UNDP should ensure that capacity development at regional and headquarters levels is not treated as a practice area.

35. UNDP should retain its internal expertise in capacity development at headquarters and regional levels. This expertise is a comparative advantage, and it is essential if the organization is to enhance its effectiveness as a global partner in capacity development and learn from examples of good practice. Making the change required by the guidance necessitates firm integration of capacity development into the work of the practices and the broader advisory cadre at regional level. This is also likely to decrease the proliferation of centrally produced guidance that uses different terminology and frameworks to address the same basic issues, and hence should reduce confusion for those who use the guidance. This approach will ensure that capacity development is properly addressed in UNDP's ongoing engagement with governments. It will enable UNDP to build on its strengths and past work to more effectively develop national capacities to achieve human development.